### COMMONWEALTH OF KENTUCKY

### BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

THE APPLICATION OF WEST OLDHAM UTILITIES, )
INC. FOR A RATE ADJUSTMENT PURSUANT TO
THE ALTERNATIVE RATE FILING PROCEDURE
FOR SMALL UTILITIES

CASE NO. 90-210

## ORDER

On July 25, 1990, West Oldham Utilities, Inc. ("West Oldham") filed an application with the Commission seeking to increase its rates pursuant to the Alternative Rate Filing Procedure for Small Utilities. West Oldham proposed to increase its annual operating revenues by \$25,466, an increase of 19 percent over normalized test-year revenues from rates of \$135,196. The Commission notified West Oldham of certain filing deficiencies, which were cured by West Oldham on October 5, 1990.

In September of 1990, Commission Staff conducted a field review of West Oldham's test-year financial records. Based upon this review, Commission Staff issued its report on December 11, 1990, recommending that West Oldham be authorized to increase its annual revenue by \$1,923.

By letter dated December 20, 1990, the Commission advised West Oldham that comments on the Staff Report and/or a request for a public hearing must be filed no later than January 4, 1991, or this case would stand submitted to the Commission for decision.

As of the date of this Order, no comments have been filed by West Oldham, nor has West Oldham requested a hearing.

The Commission, having considered the evidence of record and being otherwise sufficiently advised, finds that:

- 1. The recommendations and findings contained in the Staff
  Report are supported by the evidence of record, are reasonable,
  and are hereby adopted as the findings of the Commission in this
  proceeding and are incorporated by reference as if fully set out
  herein.
- 2. The rates in Appendix A, attached hereto and incorporated herein, are the fair, just, and reasonable rates for service provided by West Oldham and will produce annual revenues of \$137,119. These rates will allow West Oldham sufficient revenues to meet its operating expenses and provide for future equity growth.
- 3. The rates proposed by West Oldham in its application would produce revenue increases which are unreasonable and thus inconsistent with KRS 278.030.

### IT IS THEREFORE ORDERED that:

- 1. The rates proposed by West Oldham in its application are hereby denied.
- 2. The rates contained in Appendix A are approved for service rendered by West Oldham on and after the date of this Order.
- 3. Within 30 days of the date of this Order, West Oldham shall file with the Commission its revised tariff setting out the rates approved herein.

Done at Frankfort, Kentucky, this 24th day of January, 1991.

PUBLIC SERVICE COMMISSION

ATTEST:

### APPENDIX A

# APPENDIX TO AN ORDER OF THE KENTUCKY PUBLIC SERVICE COMMISSION IN CASE NO. 90-210 DATED 1/24/91

The following rates and charges are prescribed for the customers in the area served by West Oldham Utilities, Inc. All other rates and charges not specifically mentioned herein shall remain the same as those in effect under authority of this Commission prior to the effective date of this Order.

## Bi-Monthly Water Rates

## 5/8 x 3/4 Inch Meters

First 2,000 Gallons Over 2,000 Gallons \$ 9.80 Minimum Bill 2.32 Per 1,000 Gallons

## 1 Inch Meters

First 10,000 Gallons Over 10,000 Gallons \$28.36 Minimum Bill 2.32 Per 1,000 Gallons

## 1 1/2 Inch Meters

First 20,000 Gallons Over 20,000 Gallons \$51.56 Minimum Bill 2.32 Per 1,000 Gallons